

IN THE CHANCERY COURT FOR WILLIAMSON COUNTY, TENNESSEE

MICHELE SEXTON and
BRANT GAMBLE,
derivatively on behalf of Legacy Physician
Partners, LLC,

MICHELE SEXTON,
in her individual capacity,

and

BRANT GAMBLE,
in his individual capacity,

Plaintiffs,

v.

CHRISTOPHER KELLY, and
DONALD BIVACCA,

Defendants,

and

LEGACY PHYSICIAN PARTNERS, LLC,

Nominal Defendant.

Civil Action No. 47696

FILED 11/21/18
ENTERED 11/24/18
BOOK PAGE
ELAINE B. BEELER, Clerk & Master

ORDER ON DEFENDANTS' VIOLATION OF NOTICE OF SALE ORDER

Currently pending before the Court is Plaintiffs' Motion for Contempt and Default Judgment. The Court finds Plaintiffs have carried their burden of proof to show a violation of the October 18, 2018 Agreed Order in that Defendants have sold substantially all of the assets of Legacy Physician Partners, LLC ("Legacy") without providing Plaintiffs with 15 days prior notice of the sale. The Court also finds Legacy appears to be insolvent or in the zone of insolvency for purposes of disposition of its assets. As a remedy for Defendants' violation of the October 18, 2018 Order, the Court hereby ORDERS as follows:

1. Defendants shall immediately interplead all funds to which Legacy claims ownership, held in any deposit account, however denominated, including, but not limited to:

- a. Proceeds generated by the Termination Agreement executed on or about November 12, 2018;
- b. Proceeds generated by the Assignment, Assumption, and Consent Agreement, effective November 13, 2018;
- c. All current balances in any account of Legacy, or any of its affiliates; and
- d. All deposits hereafter received from the collection of accounts receivable or any other business activity of Legacy.

2. Defendants Kelly and Bivacca shall deliver to Plaintiffs' counsel, not later than close of business Wednesday, November 21, 2018, all documents responsive to Plaintiffs' Rule 34 requests previously served in this case, together with all documents to which Plaintiffs would have a right of inspection pursuant to the Tennessee Limited Liability Company Act, including but not limited to Tenn. Code Ann. §§ 48-249-308 and -406.

3. Defendants Kelly and Bivacca shall appear in person at 9:00 a.m., Monday, November 26, 2018, at the offices of Plaintiffs' counsel, to be deposed.

4. Defendants are hereby ENJOINED and PROHIBITED from making or causing to be made any distribution or payment by or on behalf of Legacy, or any of its affiliates, without Court approval, including, without limitation, any payment to, or for the benefit of, any member of Legacy.

If not set at an earlier date by motion properly filed and served, this case shall come before the Court for status review on the regularly-scheduled motion docket to be held Thursday, January 3, 2019 at 9:00 a.m.

ENTER this 26 day of Nov, 2018.


CHANCELLOR

SUBMITTED FOR APPROVAL BY:

BRADLEY ARANT BOULT CUMMINGS LLP

By: 

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Jason C. Palmer (No. 36146)
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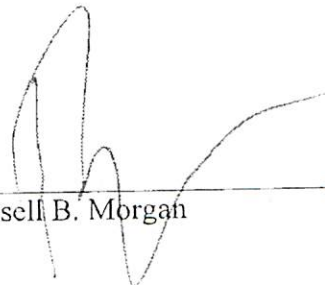
Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via email and U.S. Mail to counsel for Defendants:

Griffin S. Dunham
Dunham Hildebrand, PLLC
1704 Charlotte Avenue, Suite 105
Nashville, Tennessee 37203
(615) 933-5850
griffin@dhnnashville.com

this 21st day of November, 2018.



Russell B. Morgan

CLERK'S CERTIFICATE

I hereby certify that a true and exact copy of foregoing has been mailed or delivered to all parties or counsel of record.

11/26/18
Date


Clerk & Master